

Message Text

CONFIDENTIAL

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ACTION EUR-12

INFO OCT-01 ISO-00 SSO-00 TRSE-00 L-03 INRE-00 ICAE-00
NSCE-00 AID-05 CIAE-00 COME-00 EB-08 FRB-03
INR-10 NSAE-00 XMB-02 OPIC-03 SP-02 LAB-04 SIL-01
OMB-01 SS-15 STR-07 CEA-01 /078 W
-----018597 041537Z /75

O 041515Z MAY 78
FM AMEMBASSY LISBON
TO SECSTATE WASHDC IMMEDIATE 5603

C O N F I D E N T I A L LISBON 3314

DEPT PASS TREASURY FOR SYVRUD

E.O. 11652: GDS
TAGS: EFIN ECON PO EAID
SUBJECT: BALANCE OF PAYMENTS LOAN 150-K-813

REF: LISBON 3111

1. BANK OF PORTUGAL GOVERNOR SILVA LOPES CALLED MAY 4 REGARD-
ING SUBJECT LOAN. HE HAD TELEPHONED FUND IN WASHINGTON
ON MAY 3 TO REQUEST LETTER REQUIRED FOR DRAWDOWN OF
FIRST TRANCHE OF USG LOAN. FUND RESPONDED THAT IT
COULD NOT USE THE PHRASE "GOOD FAITH" IN THE LETTER BECAUSE
SUCH A PHRASE IMPLIES A VALUE JUDGMENT. FUND OFFICER STATED
THAT FUND IS PREPARED TO STATE IN ITS LETTER THAT AGREEMENT
HAS BEEN REACHED AND INITIALLED BY BOTH PARTIES. HE EXPRESSED
HOPE THAT SUCH PHRASING WOULD SATISFY USG REQUIREMENTS.

2. COMMENT: EMBASSY FIRMLY BELIEVES THAT CONCLUSION OF
AGREEMENT CLEARLY SATISFIES PRECONDITIONS FOR DRAWDOWN OF
SUBJECT LOAN. THE PHRASE "GOOD FAITH" WAS INTRODUCED INTO
THE AGREEMENT IN ORDER TO PROVIDE THE GOP THE POSSIBILITY
OF DRAWING AGAINST THE LOAN PRIOR TO CONCLUSION OF AN IMF
AGREEMENT. NOW THAT AGREEMENT EXISTS, EMBASSY PRE-
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SUMES THAT THAT AGREEMENT CONSTITUTES AMPLE SATISFACTION
OF OUR LOAN PRECONDITION. WASHINGTON AGENCIES ARE URGED
TO CONTACT THE FUND AND EXPRESS USG WILLINGNESS TO
ACCEPT A FUND LETTER, EVEN THOUGH LETTER DOES NOT USE THE
EXPRESSION "GOOD FAITH."
BLOOMFIELD

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 jan 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LOANS, BALANCE OF PAYMENTS, DIPLOMATIC DISCUSSIONS, MEETING REPORTS
Control Number: n/a
Copy: SINGLE
Draft Date: 04 may 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978LISBON03314
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Expiration:
Film Number: D780190-1085
Format: TEL
From: LISBON
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t19780594/aaaadbyn.tel
Line Count: 61
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, ON MICROFILM
Message ID: 18e998a4-c288-dd11-92da-001cc4696bcc
Office: ACTION EUR
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 78 LISBON 3111
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01 jun 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 2794830
Secure: OPEN
Status: NATIVE
Subject: BALANCE OF PAYMENTS LOAN 150-K-813
TAGS: EFIN, ECON, EAID, PO, US
To: STATE
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/18e998a4-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
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